

Renumbered 5/12/2015

63M-1-503 Application for targeted business income tax credits.

- (1)
- (a) For taxable years beginning on or after January 1, 2002, a business applicant may elect to claim a targeted business income tax credit available under Section 63M-1-504 if the business applicant:
 - (i) is located in:
 - (A) an enterprise zone; and
 - (B) a county with:
 - (I) a population of less than 25,000; and
 - (II) an unemployment rate that for six months or more of each calendar year is at least one percentage point higher than the state average;
 - (ii) meets the requirements of Section 63M-1-412;
 - (iii) provides:
 - (A) a community investment project within the enterprise zone; and
 - (B) a portion of the community investment project during each taxable year for which the business applicant claims the targeted business tax incentive; and
 - (iv) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, is not engaged in the following, as defined by the State Tax Commission by rule:
 - (A) construction;
 - (B) retail trade; or
 - (C) public utility activities.
 - (b) For a taxable year for which a business applicant claims a targeted business income tax credit available under this part, the business applicant may not claim or carry forward a tax credit available under Section 59-7-610, 59-10-1007, or 63M-1-413.
- (2)
- (a) A business applicant seeking to claim a targeted business income tax credit under this part shall file an application as provided in Subsection (2)(b) with the local zone administrator by no later than June 1 of the year in which the business applicant is seeking to claim a targeted business income tax credit.
 - (b) The application described in Subsection (2)(a) shall include:
 - (i) any documentation required by the local zone administrator to demonstrate that the business applicant meets the requirements of Subsection (1);
 - (ii) a plan developed by the business applicant that outlines:
 - (A) if the community investment project includes substantial new employment, the projected number and anticipated wage level of the jobs that the business applicant plans to create as the basis for qualifying for a targeted business income tax credit;
 - (B) if the community investment project includes new capital development, a description of the capital development the business applicant plans to make as the basis for qualifying for a targeted business income tax credit; and
 - (C) a description of how the business applicant's plan coordinates with:
 - (I) the goals of the enterprise zone in which the business applicant is providing a community investment project; and
 - (II) the overall economic development goals of the county or municipality in which the business applicant is providing a community investment project; and
 - (iii) any additional information required by the local zone administrator.
- (3)
- (a) The local zone administrator shall:

- (i) evaluate an application filed under Subsection (2); and
 - (ii) determine whether the business applicant is eligible for a targeted business income tax credit.
- (b) If the local zone administrator determines that the business applicant is eligible for a targeted business income tax credit, the local zone administrator shall:
 - (i) certify that the business applicant is eligible for the targeted business income tax credit;
 - (ii) structure the targeted business income tax credit for the business applicant in accordance with Section 63M-1-504; and
 - (iii) monitor a business applicant to ensure compliance with this section.
- (4) A local zone administrator shall report to the office by no later than June 30 of each year:
 - (a)
 - (i) any application approved by the local zone administrator during the last fiscal year; and
 - (ii) the information established in Subsections 63M-1-504(4)(a) through (d) for each new business applicant; and
 - (b)
 - (i) the status of any existing business applicants that the local zone administrator monitors; and
 - (ii) any information required by the office to determine the status of an existing business applicant.
- (5)
 - (a) By July 15 of each year, the department shall notify the local zone administrator of the allocated cap amount that each business applicant that the local zone administrator monitors is eligible to claim.
 - (b) By September 15 of each year, the local zone administrator shall notify, in writing, each business applicant that the local zone administrator monitors of the allocated cap amount determined by the office under Subsection (5)(a) that the business applicant is eligible to claim for a taxable year.